Federal Communications Commission 445 12<sup>th</sup> St., S.W. Washington, D.C. 20554

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DA 13-1684

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## COMMENTS INVITED ON APPLICATION OF SIGNAL POINT CORP. TO DISCONTINUE DOMESTIC TELECOMMUNICATIONS SERVICES

WC Docket No. 13-152 Comp. Pol. File No. 1114

Comments Due: August 16, 2013

Section 214 Application Applicant: Signal Point Corp.

On May 31, 2013, Signal Point Corp. (Signal Point or Applicant), located at 175 Great Road, Suite 1, Bedford, MA 01730, filed an application with the Federal Communications Commission (FCC or Commission) requesting authority, under section 214 of the Communications Act of 1934, as amended, 47 U.S.C. § 214, and section 63.71 of the Commission's rules, 47 C.F.R. § 63.71, to discontinue certain domestic telecommunications services in all fifty states and the District of Columbia (collectively, Service Areas). With amendments filed on June 12, 2013 and June 26, 2013, Signal Point corrected certain deficiencies in its application and updated the record regarding notice to customers and state entities. Accordingly, Signal Point's application is deemed complete as of June 26, 2013. On July 24, 2013, Signal Point also filed in order to update the record regarding its red light status.

Signal Point indicates that it currently provides retail and wholesale pre-paid calling card services (Affected Services) that are primarily marketed in Massachusetts, New Hampshire and Rhode Island, but are used throughout the Service Areas. Signal Point explains that these cards allow customers to prepay for domestic or international calls and, in some cases, permit customers who have exhausted the funds on previously purchased cards to recharge them by applying more funds to the card. Signal Point states that it sells approximately 3600 cards a month in the United States across several retail channels, via distributors and on the internet. Signal Point indicates, however, that it has made the business decision to discontinue this business in response to an increasingly competitive marketplace and new intermodal

<sup>&</sup>lt;sup>1</sup> The Competition Policy Division of the Wireline Competition Bureau subsequently received the filed application on June 3, 2013.

<sup>&</sup>lt;sup>2</sup> See Section 63.71 Application Supplement, WC Docket No. 13-152 (filed June 12, 2013); Letter from Michael S. Tenore, Signal Point Communications, to Ms. Marlene H. Dortch, Secretary, Federal Communications Commission (filed June 26, 2013).

<sup>&</sup>lt;sup>3</sup> See Letter from Michael S. Tenore, Signal Point Communications, to Ms. Marlene H. Dortch, Secretary, Federal Communications Commission (filed July 24, 2013) (asserting that Signal Point recently paid certain invoices that were the cause for its red light status). Signal Point's application initially was determined to be in red light status, but it has since completed payment of outstanding debts, and its red light status subsequently was cleared.

alternatives available to consumers.<sup>4</sup> Signal Point specifies that it plans to no longer allow cardholders to recharge their prepaid long distance calling cards effective June 30, 2013, and that it plans to discontinue the sale of new cards on or after that date, subject to regulatory approval. Signal Point emphasizes, however, that it will continue to honor the remaining balance on unexpired, previously purchased prepaid long distance cards. Signal Point asserts that the public convenience and necessity will not be impaired by this proposed discontinuance because there are multiple, comparable alternative services available. According to Signal Point, companies such as AT&T, IDT and others currently offer multiple products across these same channels, including both domestic and international calling with various competitive rate plans. Signal Point adds that other alternatives for long-distance calling include pre-paid wireless plans, interconnected VoIP, and internet calling application solutions. Signal Point explains that it does not know the names or mailing addresses of its cardholders due to the unique nature of the prepaid long distance calling card business. Signal Point states, however, that it has taken measures to notify cardholders of its proposed elimination of recharge capability and cessation of sales of new cards. Signal Point indicates that it is providing a voicemail message with instructions and a reference to website addresses with more information for cardholders that access a prepaid calling card starting from May 30, 2013 through July 30, 2013. Signal Point states that as of June 3, 2013 it placed notices on its websites. In addition, Signal Point indicates that it mailed notice to wholesale customers on May 30, 2013 via first class mail. Signal Point maintains that that it will update its websites to include the docket number associated with its request and post a copy of the Public Notice when it is issued. Signal Point states that it is considered non-dominant with respect to the services to be discontinued.

In accordance with section 63.71(c) of the Commission's rules, Signal Point's application will be deemed to be granted automatically on the 31st day after the release date of this public notice, unless the Commission notifies Signal Point that the grant will not be automatically effective. In its application, Signal Point indicates that it plans to no longer allow customers of its retail and wholesale pre-paid calling card services to recharge their prepaid long distance calling cards effective June 30, 2013, and that it plans to discontinue the sale of new cards in the Service Areas on or after that date, subject to regulatory approval. Accordingly, pursuant to section 63.71(c) and the terms of Signal Point's application, absent further Commission action, Signal Point may discontinue the Affected Services in the Service Areas on or after **September 1, 2013**, in accordance with its filed representations. The Commission normally will authorize proposed discontinuances of service unless it is shown that customers or other end users would be unable to receive service or a reasonable substitute from another carrier, or that the public convenience and necessity would be otherwise adversely affected.

Comments objecting to this application must be filed with the Commission on or before **August 16, 2013**. Such comments should refer to **WC Docket No. 13-152 and Comp. Pol. File No. 1114**. Comments should include specific information about the impact of this proposed discontinuance on the commenter, including any inability to acquire reasonable substitute service. Comments may be filed using the Commission's Electronic Comment Filing System (ECFS) or by filing paper copies. *See Electronic Filing of Documents in Rulemaking Proceedings*, 63 FR 24121 (1998). Comments may be filed electronically using the Internet by accessing the ECFS: <a href="http://fjallfoss.fcc.gov/ecfs2/">http://fjallfoss.fcc.gov/ecfs2/</a>. Filers should follow the instructions provided on the Web site for submitting comments. Generally, only one copy of an electronic submission must be filed. In completing the transmittal screen, filers should include their full name, U.S. Postal Service mailing address, and the applicable docket or rulemaking number.

Parties who choose to file by paper must file an original and one copy of each filing. Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail. All filings must be addressed to the Commission's Secretary, Office of the

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<sup>&</sup>lt;sup>4</sup> Discontinuance of international service is governed by 47 C.F.R. § 63.19.

Secretary, Federal Communications Commission. All hand-delivered or messenger-delivered paper filings for the Commission's Secretary must be delivered to FCC Headquarters at 445 12th Street, S.W., Room TW-A325, Washington, D.C. 20554. The filing hours are Monday through Friday, 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes and boxes must be disposed of <u>before</u> entering the building. Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743. U.S. Postal Service first-class, Express, and Priority mail must be addressed to 445 12th Street, S.W., Washington, D.C. 20554.

Two copies of the comments should also be sent to the Competition Policy Division, Wireline Competition Bureau, Federal Communications Commission, 445 12th Street, S.W., Room 5-C140, Washington, D.C. 20554, Attention: Carmell Weathers. In addition, comments should be served upon the Applicant. Commenters are also requested to fax their comments to the FCC at (202) 418-1413, Attention: Carmell Weathers.

This proceeding is considered a "permit but disclose" proceeding for purposes of the Commission's ex parte rules.<sup>5</sup> Persons making *ex parte* presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies). Persons making oral ex parte presentations are reminded that memoranda summarizing the presentation must (1) list all persons attending or otherwise participating in the meeting at which the ex parte presentation was made, and (2) summarize all data presented and arguments made during the presentation. If the presentation consisted in whole or in part of the presentation of data or arguments already reflected in the presenter's written comments, memoranda or other filings in the proceeding, the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to Commission staff during ex parte meetings are deemed to be written ex parte presentations and must be filed consistent with rule 1.1206(b). In proceedings governed by rule 1.49(f) or for which the Commission has made available a method of electronic filing, written ex parte presentations and memoranda summarizing oral ex parte presentations, and all attachments thereto, must be filed through the electronic comment filing system available for that proceeding, and must be filed in their native format (e.g., .doc, .xml, .ppt, searchable .pdf). Participants in this proceeding should familiarize themselves with the Commission's ex parte rules.

People with Disabilities: To request materials in accessible formats for people with disabilities (Braille, large print, electronic files, audio format), send an e-mail to <a href="fcc504@fcc.gov">fcc504@fcc.gov</a> or call the Consumer & Governmental Affairs Bureau at (202) 418-0530 (voice), (202) 418-0432 (tty).

For further information, contact Carmell Weathers, (202) 418-2325 (voice), <a href="mailto:carmell.weathers@fcc.gov">carmell.weathers@fcc.gov</a>, or Kimberly Jackson, (202) 418-7393 (voice), <a href="mailto:kimberly.jackson@fcc.gov">kimberly.jackson@fcc.gov</a>, of the Competition Policy Division, Wireline Competition Bureau. The tty number is (202) 418-0484. For further information on procedures regarding section 214 please visit <a href="http://www.fcc.gov/wcb/cpd/other\_adjud">http://www.fcc.gov/wcb/cpd/other\_adjud</a>.



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<sup>&</sup>lt;sup>5</sup> 47 C.F.R. §§ 1.1200 et seq.